



August 9, 1993

Bureau of Land Management 170 S 500 E Vernal, UT 84078



Attn Minerals

Re Agent Designation

Gentlemen

This letter is to inform you that Permitco, Inc. is authorized to act as Agent and to sign documents on behalf of PG&E Resources Company when necessary for filing county, state and federal permits including Onshore Order No. 1, Right of Way applications, etc.

It should be understood that Permitoo is acting as Agency only in those matters stated above and is not responsible for drilling completion, production or compliance with regulations

PG&L Resources Company agrees to accept full responsibility for operations including drilling, completion and production

Yours very truly,

Junda Fevers

Jim LaFevers

Supervisor

Regulatory Affairs

JLF ah



March 23, 1994

Bureau of Land Management 170 S. 500 E. Vernal, UT 84078

Attn: Minerals Division

Re: PG & E Resources Company

#13-20 Federal

NW SW Sec. 20, T9S-R17E kintah County, Utah

Gentlemen: Wychiana

Enclosed please find three copies of the Onshore Order No. 1 and associated attachments which have been submitted on behalf of PG & E Resources Company.

If you have any questions, or need additional information, please contact me at your earliest convenience.

All correspondence and approvals pertaining to the permitting process should be forwarded to Jim LaFevers, PG & E Resources Company at the Dallas address which is shown on the A.P.D. form and certification page. Your cooperation in this matter would be greatly appreciated.

Sincerely,

PERMITCO INC.

Lisa L. Smith Consultant for:

31

PG & E RESOURCES COMPANY

Enc.

cc: PG & E Resources Company - Dallas, TX
PG & E Resources Company - Vernal, UT
Utah Division of Od, Gas & Mining - SI C, UT

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Permitab Incorpotated
All training Christiany

SUBMET IN T (Other instr

SUBMIT IN TRIPLICATES. (Other instructions or

Form approved.

Budget Bureau No. 1004-0136

Expires August 31, 1985

UNITED STATES DEPARTMENT OF THE INTERIOR BURFAU OF LAND MANAGEMENT

LEASE DESIGNATION AND	SERIAL	. NO.
U-13905		

	BONEAU OF LAND			6 IF INDIAN, ALLOTTEE OR TRIBE NAME	
APPLICATION	FOR PERMIT TO D	RILL, DEEPEN, (OR PLUG BACK	(N/A	
a TYPE OF WORK b. TYPE OF WELL	DRILL X DEE	PEN 🗀	PLUG BACK	7 UNIT AGREEMENT NAME N/A	
OIL WELL X	GAS WELL, OTHER	single zone X	MULTIPLI ZONI		
NAME OF OPERATOR	214/750-3800	6688 N. Centra	Expressway,	9 WELL NO.	
PG & E Resource	es Company	Suite 1000 Dall	las, TX 75206	#13-20	
PERMITCO IN	303/452-8888 C Agent	13585 Jackson I Denver, CO 802		Riverbend Green River	
LOCATION OF WELL	(Report location clearly and in accordance			III SEC., T. R. M., OR BLX	
d Surface	1874' FSL and 67	4' FWL		AND SURVEY OR AREA	
At proposed Prod. Zone	NW SW Sec. 20, 1	19S - R17E		Sec. 20, T9N • R17E	
4. DISTANCE IN MILES AN	D DIRECTION FROM NEAREST TOWN OR	POST OFFICE*		12 COUNTY OR BARISH 13 STATE	
	iles south of Myton, Utah			Winter Auchiana Utah	
	SED* LOCATION TO NEAREST PROPERT to mearcal drig umit lune, if any)			IT NO OF ACRES ASSIGNED TO THIS WELL	
	674'		89.6	40	
	SED LOCATION* TO NEAREST WELL, OR APPLIED FOR ON THIS LEASE, FT	19 PROPOSED DE		20 ROTARY OR CABLE TOOLS	
Approx. 2800'		58	50'	Rotary M APPROX DATE WORK WILL START	
2I. ELEVATIONS (Show whether Dr. 701, GR. etc.) 5438' GR				Upon approval of this application	
?3.	PROPOSE	D CASING AND CEMENTING	PROGRAM		
SIZE OF HO	E SIZE OF CASING	WEIGHT/ROOT	SETTINGCEPTH	QUANTITY OF CEMENT	
12-1/4" 9-5/8"		36#	350'	110 cubic feet, circ to surface.	
7-7/8" 5-1/2"		17#	5,850'	500 cubic feet or suffic. to	
		Andrew Company of the Assessment of the Assessme		cover zones of interest.	

PG & E Resources Company proposes to drill a well to 5850' to test the Green River formation. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See Onshore Order No. 1 attached.

conducted upon the lease lands.

Please be advised that PG & E Resources Company is considered to be the Operator of the above mentioned well.

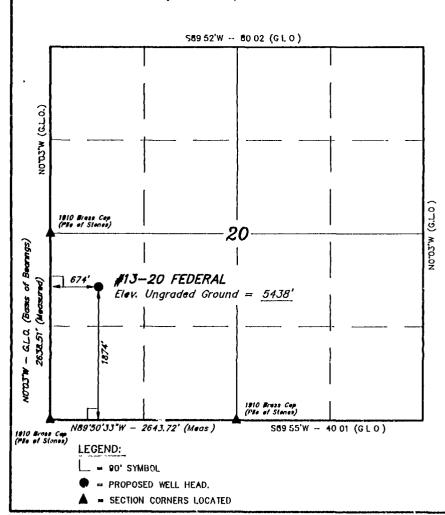
PG & E Resources Company agrees to be responsible under the terms and conditions of the lease for the operations

Bond coverage for this well is provided by Bond No. U-187011. The principal is PG & E Resources Company via surety consent as provided for in 43 CFR 3104.2.

false, fictitious or fraudulent statements or representations as to any mater within its jurisdiction.

24. SIGNED SIGNED	ace locations and measured and true vertical deputs. Give blowout prevenue Consultant for: TITLE PG & E Resources Co.	DATE 03/28/94
(Thus space for Pederal or State office tax)	TAPROVED BY THE	
PERMIT NO 43-013-3140	13 APPROVAL DATE OF LATAH DIVISION	1 OF 11NG
APPROVED BY	TITLE TO THE STATE OF THE STATE	T
CONDITIONS OF APPROVAL, IF ANY		Charles and the same of the sa
cc: Utah Division of Oil, Gas & Mining	Spaing R649-3-2	# GEIMEL
*See	Instructions On Reverse Side	〃
Title 18 U.S.C. Section 1001, makes it a crime for any persn know	vingly and willfully to make to any department or agency of the 👣	fed States and 3 1 1111

T9S, R17E, S.L.B.&M.

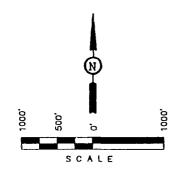


PG&E RESOURCES COMPANY

Well location, #13—20 FEDERAL, located as shown in the NW 1/4 SW 1/4 of Section 20, T9S, R17E, S.L.B & . Duchesne County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 20, 19S, R17E, S L B &M TAKEN.
FROM THE MYTON SE QUADRANGLE, UTAH, DUCHESNE COUNTY, 7 5 MINUTE QUAD (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY SAID ELEVATION IS MARKED AS BEING 5501 FEET.



THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREFARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY, SUPERVISION AND HAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELTEF

REGISTRED LAND SURVEYOR REGISTRATION NO 5709 STATE OF UTAH

UINTAH ENGINEERING & LANDA SURVEYING 85 SOUTH 200 EAST - VERNAL UTAH 84078

(801) 789-1017

SCALE DATE SURVEYED DATE DRAWN
1" = 1000' 3-2-94 3-11-94

PARTY REFERENCES

JF TG TDH GL.O. PLAT

WEATHER FILE

COOL

PG&E RESOURCES

CONFIDENTIAL - TIGHT HOLE

ONSHORE OIL & GAS ORDER NO. 1

Approval of Operations on Onshore Federal and Indian Oil & Gas Leases

> #13-20 Federal 1874' FSL and 674' FWL NW SW Sec. 20, T9S - R17E Unitah County, Utah hicheme

Prepared For:

PG & E RESUIRCES COMPANY

By:

COMPROBLEM DEAL & FRICHT HOUSE PERMITCO INC. 13585 Jackson Drive Denver, Colorado 80241 303/452-8888

Copies Sent To:

- 3 BLM Vernal, Utah
- 1 Utah Division of Oil, Gas & Mining SLC, UT
- 3 PG & E Resources Dallas, TX
- 1 PG & E Resources Vernal, Utah



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CONFORMULAL - TIGHT HOLE

ONSHORE ORDER N Q 1 PG & E Resources Company #13-20 Federal 1874' FSL and 674' FWL NW SW Sec. 20, T9S - R17E -Unitah County, Utah

Lease No. U-13905

DRILLING PROGRAM
Page 1

Ducheme

ONSHORE OIL & GAS ORDER NO. 1 Approval of Operations on Onshore Federal and Indian Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Estimated Tops of Important Geologic Markers:

Formation	Depth	Subsea
Uinta	Surface	
Green River	1305'	+4146'
D.C. Marker	4295'	+1160'
"D"	4 515'	+ 940'
"E"	4611'	+ 844'
"E,"	4739'	+ 716'
E, Carb.	4873'	+ 582'
"F"	5129'	+ 326'
Basal Ls.	5573 '	- 118'
Wasatch	57 <i>5</i> 7'	- 302'
T.D.	5850'	

2. Estimated Depths of Anticipated Water, Oil, Gas or Minerals Formations:

Substance	Formation	<u>Depth</u>
Oil	DC	4645-4735
Oil	E ₂ Sands	4860-5010'
Oil	F Sands	5200-5250'
Water	N/A	
Other Mineral Zones	N/A	



ONSHORE ORDER 1 PG & E Resources Company #13-20 Federal 1874' FSL and 674' FWL NW SW Sec. 20, T9S - R17E

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DRILLING PROGRAM
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All fresh water prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

3. Pressure Control Equipment: (Schematic Attached)

PG & E's minimum specifications for pressure control equipment are as follows:

Ram Type: 10" Hydraulic double with annular, 3000 psi w.p.

Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10 percent in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Annular type preventers (if used) shall be tested to 50 percent of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed;
- b. whenever any seal subject to test pressure is broken
- c. following related repairs; and
- d. at 30-day intervals

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) the check valve shall be held open or the ball removed.



ONSHORE ORDER NO. 1 PG & E Resources Company #13-20 Federal 1874' FSL and 674' FWL NW SW Sec. 20, T9S - R17E Linten County, Utah

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Annular preventers shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

A BOPE pit level drill shall be conducted weekly for each drilling crew.

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.

BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The District Office should be notified, with sufficient lead time, in order to have the BLM representative on location during pressure testing.

- a. The size and rating of the BOP stack is shown on the attached diagram. Although a rig has not been chosen to drill this well, most of the equipment for this depth of hole in the area use a 2000 psi working pressure blowout preventor.
- b. A choke line and a kill line are to be properly installed. The kill line is <u>not</u> to be used as a fill-up line.
- The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.



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PG & E Resources Company
#13-20 Federal
1874' FSL and 674' FWL
NW SW Sec. 20, T9S - R17E

CON DENTIAL - TIGHT HOLE

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- Surface casing shall have centralizers on every fourth joint of casing starting with the shoe joint and up to the bottom of the cellar.
- j. Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc. shall be utilized to help isolate the cement from contamination by the mud fluid being displaced ahead of the cement slurry.
- k. All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or 1500 psi, whichever is greater, but not to exceed 70 percent of the minimum internal yield. If pressure declines more than 10 percent in 30 minutes, corrective action shall be taken.
- On all exploratory wells, and on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.

m. The proposed casing program will be as follows:			<u>New</u>			
Purpose	Depth	Hole Size	O.D.	Weight	Grade	Type Used
Surface	0-350'	12-1/4"	9-5/8"	36#	K-55	ST&C New
Produc.	0-5850'	7-7/8''	5-1/2"	14#	J-55	LT&C New

- n. Casing design subject to revision based on geologic conditions encountered.
- o. The cement program will be as follows:

Surface
0-350'

Type and Amount

± 110 sx Class "A" Cement or
sufficient volume to circulate to
surface.



ONSHORE ORDER 1
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#13-20 Federal
1874' FSL and 674' FWL
NW SW Sec. 20, T9S - R17E

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DRILLING PROGRAM
Page 6

Production

Type and Amount

Approx. 990 cubic feet of 50/50 Poz Mix, 14.1 ppg, 1.26 yield or sufficient to cover zones of interest (from T.D. to approximately 2600'.

- p. Anticipated cement tops will be reported as to depth; not the expected number of sacks of cement to be used. The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.
- q. After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.
- r. The following reports shall be filed with the District Manager within 30 days after the work is completed.
 - 1. Progress reports, Form 3160-5 (formerly 9-331) "Sundry Notices and Reports on Wells", must include complete information concerning:
 - a. Setting of each string of casing, showing the size, grade, weight of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of cementing tools used, casing test method and results, and the date work was done. Show the spud date on the first reports submitted.
 - b. Temperature or bond logs must be submitted for each well where the casing cement was not circulated to the surface.
- s. Auxiliary equipment to be used is as follows:
 - 1. Kelly cock
 - 2. No bit float is deemed necessary.
 - 3. A sub with a full opening valve.



ONSHORE ORDER NO. 1 PG & E Resources Company #13-20 Federal 1874' FSL and 674' FWL NW SW Sec. 20, T9S - R17E United County, Utah **CONI** ENTIAL - TIGHT HOLE

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DRILLING PROGRAM

5. Mud Program:

a. The proposed circulating mediums to be employed in drilling are as follows:

<u>Interval</u>	Mud Type Water/Lime &	Mud Wt.	<u>Visc.</u>	<u>F/L</u>	<u>PH</u>
0-5850'		8.4-8.6	27-36	N/C	N/C
	Cel				

Sufficient quantities of mud materials will be maintained or readily accessible for the purpose of assuring well control during the course of drilling operations.

A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, static filtration loss, and Ph.

- b. Mud monitoring equipment to be used is as follows:
 - Periodic checks will be made each tour of the mud system. The mud level will be checked visually.
- c. No chromate additives will be used in the mud system on Federal and/or Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.
- d. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.
- e. The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.



ONSHORE ORDER O., 1 PG & E Resources Company #13-20 Federal 1874' FSL and 674' FWL NW SW Sec. 20, T9S - R17E CONTIDIENTIAL - TIGHT HOLE

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DRILLING PROGRAM
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6. Evaluation Program:

The anticipated type and amount of testing, logging and coring are as follows:

a. Drill stem tests will be run as warranted after log evaluation.

Initial opening of drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer. However, DST's may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e. lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the authorized officer. Closed chamber DSTs may be accomplished day or night.

A DST that flows to the surface with evidence of hydrocarbons shall be either reversed out of the testing string under controlled surface conditions. This would involve provided some means for reverse circulation.

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.

All engines within 100 feet of the wellbore that are required to "run" during the test shall have spark arresters or water cooled exhausts.

- b. The logging program will consist of a Dual Laterolog, 2" and 5" from T.D. to base of surface casing. A Spectral Density Dual-Spaced Neutron Log, 5" from T.D. to 2500'.
- c. No cores are anticipated.
- d. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164.



ONSHORE ORDER 10. 1 PG & E Resources Company #13-20 Federal 1374' FSL and 674' FWL NW SW Sec. 20, T9S - R17E CONDENTIAL - TIGHT HOLE

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DRILLING PROGRAM
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Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the authorized officer (AO).

- e. The anticipated completion program is as follows: Perforate and casing water frac potential hydrocarbon bearing zones.
- f. Daily drilling and completion progress reports shall be submitted to the BLM in vernal on a weekly basis.

7. Abnormal Temperatures or Pressures

- a. No abnormal temperatures or pressures are anticipated. No H₂S has been encountered in or known to exist from previous wells drilled to similar depths in the general area.
- The maximum anticipated bottom hole pressure will be approximately 2730 psi. at T.D.

8. Anticipated Starting Dates and Notification of Operations:

- a. Drilling will commence immediately upon approval of this application.
- It is anticipated that the drilling of this well will take approximately 10-12 days,
- c. The Vernal District Office shall be notified, during regular work hours (7:45 a.m.-4:30 p.m, Monday through Friday except holidays), at least 24 hours prior to spudding the well.
- Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.



ONSHORE ORDER NO. 1
PG & E Resources Company
#13-20 Federal
1874' FSL and 674' FWL
NW SW Sec. 20, T9S - R17E
Liteth County, Utah

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- e. The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.
- f. Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.
- g. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.
- h. The spud date will be reported orally to the AO within 48 hours after spudding. If the spudding occurs on a weekend or holiday, the report will be submitted on the following regular work day. The oral report will be followed up with a Sundry Notice.
- i. In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with the Vernal BLM District Office, 170 South 500 East, Vernal, UT 84078.



ONSHORE ORDER NO. 1 PG & E Resources Company #13-20 Federal 1874' FSL and 674' FWL NW SW Sec. 20, T9S - R17E CONDENTIAL - TIGHT HOLE

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DRILLING PROGRAM
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- j. <u>Immediate Report:</u> Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.
- k. If a replacement rig is contemplated for completion operations, a "Sundry Notice" Form 3160-5 to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.
- Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communications, not later than 5 days following the date on which the well is placed on production.
- m. Pursuant to Onshore Order No. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.
- n. Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day or authorized test period.
- o. A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3 and 3162.7-4 shall be submitted to the appropriate District Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in 43 CFR 3162.7 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.
- p. A first production conference will be scheduled within 15 days after receipt of the first production notice.



ONSHORE ORDER FO. 1
PG & E Resources Company
#13-20 Federal
1874' FSL and 674' FWL
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HELD County, Utah

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DRILLING PROGRAM
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q. No well abandonment operations will be commenced without the prior approval o' the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the SO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

r. Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which conforms with applicable Federal laws and regulations and with State and local laws and regulations to the extent that such State and local laws are applicable to operations on Federal or Indian lands.



ONSHORE ORDER NO. P. PG & E Resources Company #13-20 Federal 1874' FSL and 674' FWL NW SW Sec. 20, T9S - R17E Fintsh County, Utah

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SURFACE USE PLAN
Page 7

- All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic.
- 1. The road will be maintained in a safe useable condition.

5. Location and Type of Water Supply

- a. All water needed for drilling purposes will be obtained from the Cedar View Water source which is located S 1167', E 340', from North quarter corner of Section 27, T1S R2W, Duchesne County, Utah. Permit No. 43-9974 A14289. (Dalbo).
- b. Water will be hauled to location over the roads marked on Maps A and B.
- c. No water well is to be drilled on this lease.
- d. A copy of the approved water permit is attached.

6. Source of Construction Material

- a. Surface and subsoil materials in the immediate area will be utilized.
- b. Any gravel used will be obtained from a commercial source.
- c. The use of materials under BLM jurisdiction will conform with 43 CFR 3610.2.3. Construction material will not be located on lease.
- d. No construction materials will be removed from Federal land.

7. Methods of Handling Waste Disposal

a. The reserve pit will be constructed so as not to leak, break, or allow discharge. The need for a reserve pit liner will be determined during construction. Inspection will be made by the authorized officer.



ONSHORE ORDER NO. P. PG & E Resources Company #13-20 Federal 1874' FSL and 674' FWL NW SW Sec. 20, T9S - R17E Unatah County, Utah

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SURFACE USE PLAN
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- b. A reserve pit liner will be installed, since it is anticipated that blasting in the pit area will be required. If a plastic nylon reinforced liner is used, it will be a minimum of 12 mil thickness with sufficient bedding (either straw or dirt) to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.
- c. Burning will not be allowed. All trash will be contained in a trash cage and its contents removed at the end of drilling operations and hauled to an approved disposal sight.
- d. After first production, produced waste water will be confined to a unlined pit or storage tank for a period not to exceed ninety (90) days. During the 90-day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.
- e. Drill cuttings are to be contained and buried in the reserve pit.
- Any salts and/or chemicals which are an integral part of the drilling system will be disposed of in the same manner as the drilling fluid.
- g. A chemical porta-toilet will be furnished with the drilling rig.
- h. The produced fluids will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas salt water or other produced fluids will be cleaned up and removed.

8. Ancillary Facilities

There are no airstrips, camps, or other facilities planned during the drilling of the proposed well.



ONSHORE ORDER NO.
PG & E Resources Company
#13-20 Federal
1874' FSL and 674' FWL
NW SW Sec. 20, T9S - R17E
United County, Utah

Lease No. U-13905

SURFACE USE PLAN

9. Well Site Layout

- a. The reserve pit will be located on the north side of the location.
- b. The flare pit will be located downwind of the prevailing wind direction on the north side, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.
- c. The stockpiled topsoil (first six inches) will be stored on the south side and northeast corner of the location between points 1 & 2 and 6 & 7 as shown on the attached location layout.
- d. Access to the wellpad will be from the southwest between points 2 and 3.
- See Location Layout for orientation of rig, cross section of drill pad and cuts and fills.
- f. The location of mud tanks; reserve pit, trash cage; pipe racks; living facilities and soil stockpiles will be shown on the Location Layout.
- g. During construction, all brush will be removed from the wellpad and access road and stockpiled separately from the topsoil.
- h. All pits will be fenced according to the following minimum standards:
 - 39 inch net wire shall be used with at least one strand or barbed wire on top of the net wire (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
 - The net wire shall be no more than 2-inches above the ground. The barbed wire shall be 3-inches above the net wire. Total height of the fence shall be at least 42-inches.
 - Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.



ONSHORE ORDER NO. PG & E Resources Company #13-20 Federal
1874' WSL and 674' FWL
NW SW Sec. 20, T9S - R17E
Firmsh-County, Utah

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SURFACE USE PLAN

- Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- 5. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.
- The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until cleanup.

10. Plans for Restoration of Surface

Producing Location

- a. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash and junk not required for production.
- b. Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.
- If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.
- (1. The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 120 days from the date of well completion. Before any dirt work takes place, the reserve pit must have all fluids and hydrocarbons removed and all cans, barrels, pipe, etc., will be removed.



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CONFIDENTIAL - TIGHT HOLE

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SURFACE USE PLAN Page 1

ONSHORE OIL & GAS ORDER NO. 1

NOTIFICATION REQUIREMENTS

Location Construction - forty-eight (48) hours prior to construction of location and

access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice - at least twenty-four (24) hours prior to spudding the well.

Casing String and - Cementing

twenty-four (24) hours prior to running casing and

cementing all casing strings.

BOP and Related Equipment Tests twenty-four (24) hours prior to initiating pressure tests.

First Production

within five (5) business days after new well begins or production resumes after well has been off production for

more than ninety (90) days.

An onsite inspection was conducted on Friday, March 18th at approximately 11:00 a.m. In attendance at the onsite inspection were the following individuals:

Jean Sinclear
Ralph Brown
Bureau of Land Management
Bureau of Land Management
Utah Division of Oil, Gas & Mining
Uintah Engineering & Land Surveying

Lisa Smith Permitco Inc.

1. Existing Roads

a. The proposed well site is located approximately 22.4 miles southeast of Myton, Utah.



ONSHORE ORDER NO. PG & E Resources Company #13-20 Federal 1874' FSL and 674' FWL NW SW Sec. 20, T9S - R17E

Lease No. U-13905

SURFACE USE PLAN Page 2

b. Directions to the location from Myton, Utah are as follows:

From Myton proceed southwesterly on Highway 40 for 1.5 miles. Turn left onto County Road #53 and #216 and proceed southeasterly for 11.2 miles to the Castle Peak Mine. Stay right and proceed south for 2.4 miles to a T intersection. Continue south an additional 1.6 miles. Turn right and proceed westerly for a total of 2.2 miles to the PG & E #41-30 location. Then proceed north for an additional 0.6 miles on new access to the location.

- c. For location of access roads within a 2-Mile radius, see Maps A & B.
- d. Improvement to the existing access will not be necessary. All roads are BLM maintained.
- e. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.
- f. Existing roads and newly constructed roads on surface under the jurisdiction of any Surface Managing Agency shall be maintained in accordance with the standards of the SMA.

2. Planned Access Roads

- a. Approximately 0.6 miles of access road will be constructed. The new construction will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet. Appropriate water control will be installed to control erosion.
- b. The maximum grade will be approximately 8%.
- c. No turnouts are planned.
- d. No low water crossings will be necessary. There are no major cuts and fills. No culverts and/or bridges will be required. Wing ditches/water turnouts will be installed where necessary.



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1874' FSL and 674' FWL
NW SW Sec. 20, T9S - R17E
United County, Utah

CONFIDENTIAL - TIGHT HOLE

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SURFACE USE PLAN Page 3

- e. The access road was centerline flagged at the time of staking.
- f. Surfacing material may be necessary depending on weather conditions.
- g. No cattleguards will be necessary.
- h. Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.
- i. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).
- j. The road will be constructed/upgraded to meet the standards of the anticipated traffic flow and all weather road requirements.

 Construction/upgrading shall include ditching, draining, graveling, crowing and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.
- k. 1. This is to serve as PG & E's request for an amendment to Right of Way No. U-49220. The amendment will begin in the center of Section 29, T9S R17E and proceed westerly and then north for a total of 7200 feet. This will include 4500 feet of existing access road leading to the #41-30 producing location and approximately 700 feet of new construction where the road reaches the lease boundary line. The remainder of the access (approximately 2300 feet) will be



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PG & E Resources Company
#13-20 Federal
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NW SW Sec. 20, T9S - R17E
Wintah County, Utah

Lease No. U-13905

SURFACE USE PLAN

within Lease No. U-13905. See Map "D". Lands to be affected are as follows:

T9S - R17E

Sec. 29: S/2 NW/4, N/2 SW/4

Sec. 30: E/2 NE/4

- 2. No related structures or facilities are anticipated at this time.
- The total length of the amendment is 7200 feet and will have a running surface of approximately 18 feet with a maximum disturbed width of 30 feet.
- We are requesting that the termination of this right of way amendment coincide with the expiration date of the Right of Way No. U-49220.
- The road will be used year round for transportation of oil and maintenance of equipment. The volume of product to be transported is unknown at this time.
- Construction will begin immediately upon approval of this application and the associated right of way. Anticipated construction time is 3-5 days.
- 7. No temporary work areas will be necessary.
- 8. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

Attached is our check in the amount of \$175.00 to cover the amendment fees.



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SURFACE USE PLAN
Page 5

- 3. <u>Location of Existing Wells Within a 1-Mile Radius of the Proposed Location.</u>
 (See Map #C).
 - a. Water wells -none
 - b. Injection wells -none
 - c. Producing wells three
 - d. Drilling wells none
 - e. Shut-in wells none
 - f. Temporarily abandoned wells none
 - g. Disposal wells -none
 - h. Abandoned wells two
 - i. Dry Holes none

4. Location of Tank Batteries and Production Facilities.

- a. All permanent structures (onsite for six months or longer) constructed or installed (including oil well pump jacks) will be painted Desert Brown (10YR6/3). All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required paint color is Desert Brown.
- b. If storage facilities/tank batteries are constructed on this lease, the facility/battery or the wellpad shall surrounded by a containment dike of sufficient capacity to contain at a minimum, the entire content of the largest tank within the facility/battery, unless more regingent protective requirements are deemed necessary by the authorized officer.



CONFIDENTIAL - TIGHT HOLE

Lease No. U-13905

SURFACE USE PLAN
Page 6

c. A Sundry Notice will be submitted showing placement of all production facilities prior to construction.

- d. All loading lines will be placed inside the berm surrounding the tank battery.
- e. Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried or anchored down from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.
- f. The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil and Gas Order No. 4 for liquid hydrocarbons and Onshore Oil and Gas Order No. 5 for natural gas measurement.
- g. If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.
- h. Any necessary pits will be properly fenced to prevent any wildlife entry.
- All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.



ONSHORE ORDER NOW.
PG & E Resources Company
#13-20 Federal
1874' FSL and 674' FWL
NW SW Sec. 20, T9S - R17E
Lianh County, Utah

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SURFACE USE PLAN Page 11

e. Reclamation of unused disturbed areas on the well pad/access road no longer needed for operations, such as cut slopes, and fill areas will be accomplished by grading, leveling and seeding as recommended by the Authorized Officer. The following seed mixture will be used unless another seed mixture is deemed to be more suitable for the location.

Seed Mixture	Pounds/Acres* Pure Live Seed
Forage Kochia (Kochia prostrata)	1
Ephriam Crested Wheatgrass	
(Agropyron cristatum Ephriam)	5
Russian Wildrye (Elymus junceus)	4
Fourwing Saltbush (Atriplex canescens)	2

^{*}Rate if drilled. If broadcast, mixture will be doubled.

A harrow will be drug over the location to assure seed cover.

Dry Hole

f. At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment and BLM will attach the appropriate surface rehabilitation conditions of approval.

11. Surface Ownership

Access Roads - All roads are County maintained or managed by the Bureau of Land Management.

Wellpad - The well pad is located on lands owned by the BLM.



ONSHORE ORDER NO PG & E Resources Company #13-20 Federal 1874' FSL and 674' FWL NW SW Sec. 20, T9S - R17E Limes County, Utah CONFIL TIAL - TIGHT HOLE

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SURFACE USE PLAN

12. Other Information

- a. A Class III archeological survey was conducted by Sagebrush
 Archeological Consultants. A copy of this report has been submitted to
 the appropriate agencies by Sagebrush Archeological Consultants.
- b. The operator is responsible for informing all persons in the areas who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator as to:
 - -whether the materials appear eligible for the National Register of Historic Places:
 - -the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
 - -a time frame for the AO to complete and expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate. If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.
- c. The operator will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.



CONFID TIAL - TIGHT HOLE

ONSHORE ORDER NO. PG & E Resources Company #13-20 Federal 1874' FSL and 676' FV/L NW SW Sec. 20, T9S - R17E

Lease No. U-13905

SURFACE USE PLAN

- d. Drilling rigs and/or equipment used during drilling operations on this weilsize will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure.
- e. Two silt catchment dams and basins have been selected by the BLM along the access route. The exact locations of these silt catchment dams will be shown on the conditions of approval to be supplied by the BLM. Dams will be constructed according to BLM specifications. A BLM representative will be present at the start of construction.
- f. All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to history compliance.
- g. A complete copy of the approved APD and ROW grant, if applicable shall be on location during construction of the location and drilling activities.
- h. There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended or abandoned will be identified in accordance with 43 CFR 3162.
- "Sundry Nodce and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162-3-2.
- j. This permit will be valid for a period of one year from the date of approval. An extension period may be granted, if requested, prior to the expiration of the original approval period. After permit termination, a new application will be filed for approval for any future operations.



CONFIL TIAL - TIGHT HOLE

ONSHORE ORDER NO. PG & E Resources Company #13-20 Federal 1874' FSL and 674' FWL NW SW Sec. 20, T9S - R17E

Lease No. U-13905

SURFACE USE PLAN Page 14

- The operator or his contractor shall contact the BLM Offices at 801/789-1362 48 hours prior to construction activities.
- The BLM Office shall be notified upon site completion prior to moving on the drilling rig.
- m. In the event after-hours approvals are necessary, please contact one of the following individuals:

Gerald E. Kencska	Petroleum Engineer	801/781-1190
Ed Forsman	Petroleum Engineer	801/789-7077
BLM Fax Machine		801/789-3634

13. Lessee's or Operator's Representative and Certification

Permit Matters	Drilling & Completion Matters
PERMITCO INC.	PG & E Resources Company
Lisa L. Smith	6688 N. Central Expressway
13585 Jackson Drive	Suite 1000
Denver, CO 80241	Dallas, TX 75206-3922
303/452-8888	Gary Whetstine - 214/750-3800
	Mike McMican - 801/789-4573
	Jim LaFevers - 214/750-3800 (Regulatory)

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by PG & E Resources Company and its contractors and subcontractors in conformity with the plan and the terms and conditions under which it is approved.



ONSHORE ORDER NO PG & E Resources Company #13-20 Federal 1874' FSL and 674' FWL NW SW Sec. 20, T9S - R17E **Gintain** County, Utah

CONFIC NTIAL - TIGHT HOLE

Lease No. U-13905

SURFACE USE PLAN

This statement is subject to the provisions of 18.U.S.C. 1001 for the filing of a false statement.

March 29, 1994

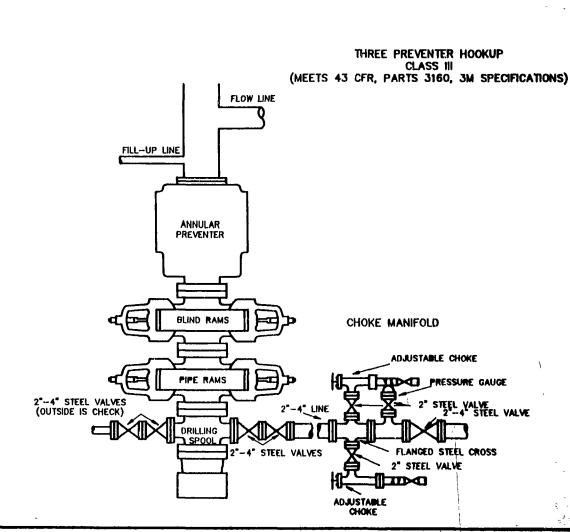
Date:

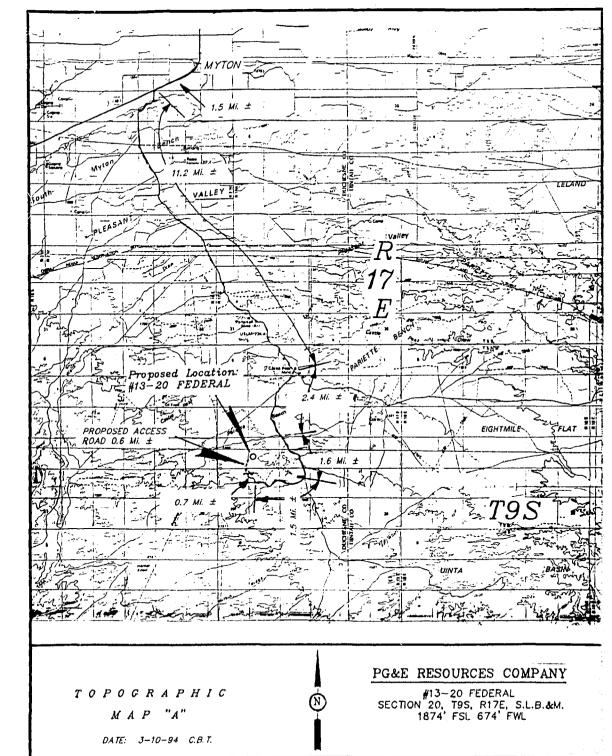
Lisa L. Smith - PERMITCO INC.

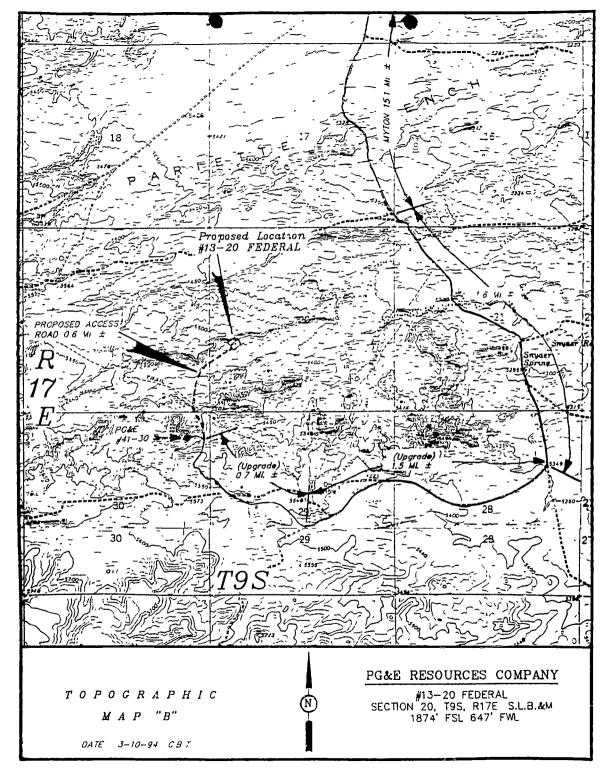
Authorized Agent for:

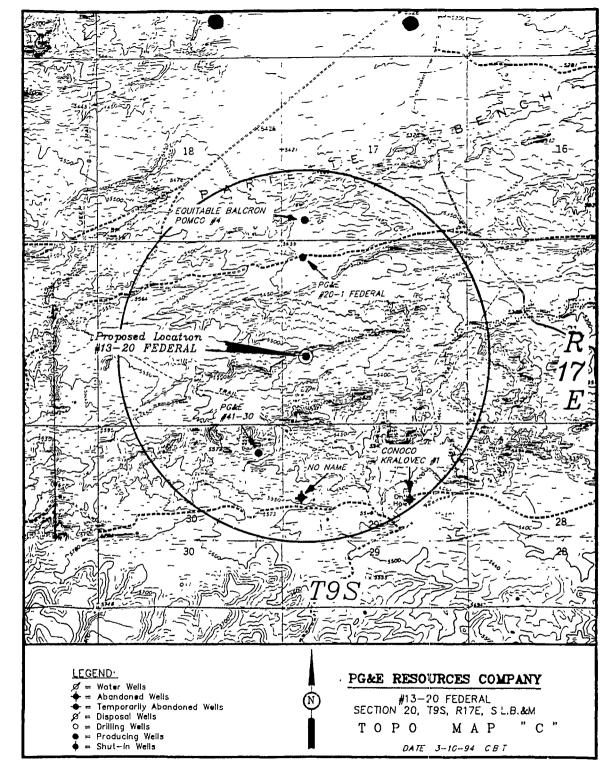
PG & E Resources Company

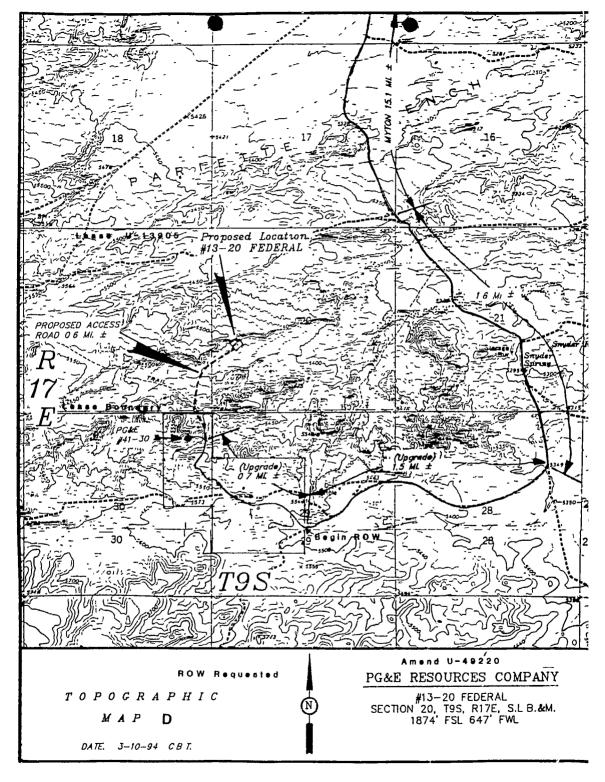


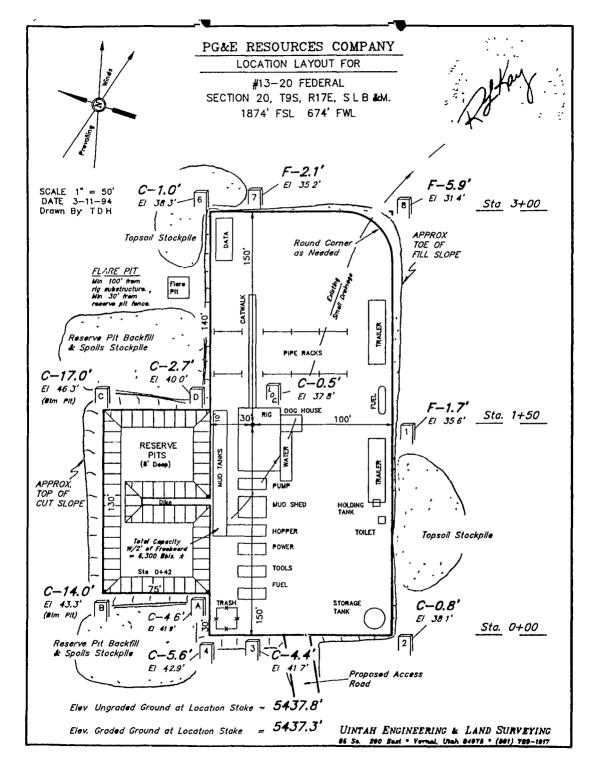


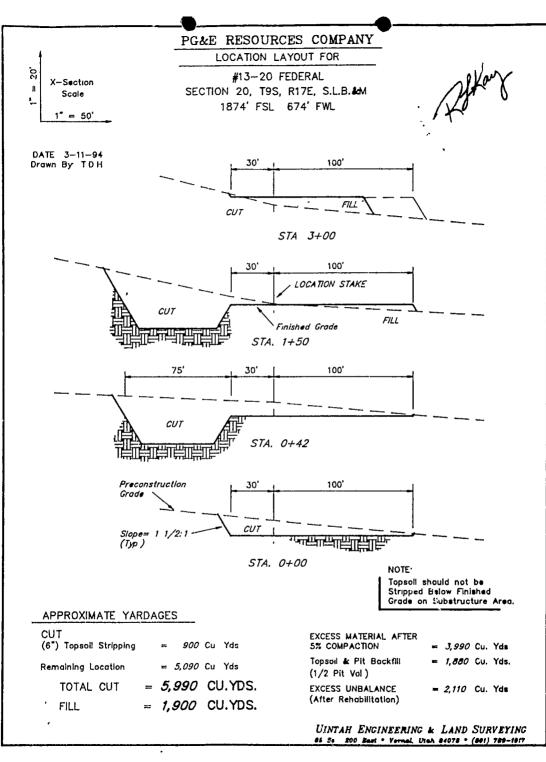












9. POINT(S) OF RETURN

M	4P-24-94 THU 14:51
	APPLICATION FOR PERMANENT CHANGE OF WATER RECEIVED Rec by Diggs Rec b
	STATE OF UTAH APR 17 1987 Fee Paid's 15.00
	For the purpose of obtaining permission to make a permanent change of water in the State of Utah, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of the Laws of Utah
	*WATER USER CLAIM NO. 43 9774 *APPLICATION NO n=14389 Changes are proposed in (check those applicable) point of diversion. place of use nature of use
-	OWNER INFORMATION Name: Owen Dale Anderson Interest Address: Po Box 1168 Vernal UT 84077
7	*PRIORITY OF CHANGE: *FILING DATE: *Is this change amendatory? (Yes/No)
	Prior Approved Change Applications for this right 93-43-21 94-43-73 £ /4099 **REPLOTOR OF THE PROPERTY OF THE
4. 5.	QUANTITY OF WATER: 05 cls and, or ac (). SOURCE: U.G.W. (well) COUNTY: Duches of
7.	The state of the s
	Description of Diverting Works:
8.	POINT(S) OF REDIVERSION The water will be rediverted from
	Description of Diverting Works:

The water will be returned to the natural stream/source at a point(s)

The amount of water consumed is _____ cis or ____ ac it The amount of water returned is _____ cls or ____ ac-ft

^{*}These items are to be completed by Division of Water Rights.

10.	NATURE AND PERIOD OF USE					
	Stockwatering: From Jo	D 10 Dec 31				
	Domestic: From	10				
	Municipal: from	10				
	Mining From	10				
	Power: From	10				
	Other: From Ja	1 1 10 Dec 31				
	Irrigation: From Apri	11 10 Oct 31				
11.	PURPOSE AND EXTENT OF USE					
	Stockwatering (number and kind):					
	Domestic Families and/or					
	·					
		Mining District in the ?				
	Ores mined					
	Other (describe):	Type capacity	Stu			
	Irrigation, 55.7 ucres.	oic supply ofecres				
12	PLACE OF USE					
14		ther than is garren by 40 acre tract: n/a				
	· ·	Try is				
13.	STORAGE >/.	/	_			
		Storage Period from 11-1 10 3-3/				
	Capacity: 4.0 ac it. inundat	ed Area acres				
	Height of dam:feet					
	Legal description of inundated are	Legal description of inundated area by 40 tract: NWNG Suc 27, 715 ROW USBYM				
,, ,,	ANNARAMANANARARANA THE	FOLLOWING CHANGES ARE PROPOSED. 40401110464146014601	4 1/4			
		_				
		cls and/or - 20.0 ac ft				
15.	60URCEI DGW	Remaining Water: Same				
	COUNTY: Duchesne					
17.	POINT(S) OF DIVERSION:	same				

	Point(s) of rediversion					
	The water will be rediverted from					
	Description of Diverting Works:					

19,	POINT(s) OF RETURN The amount of water returned isc(s orac fi The amount of water returned isc(s orac fi The water will be returned to the natural stream/source at a point(s).				
20.	NATURE AND PERIOD OF USE				
	Stockwatering: From				
	Domestic Fromto				
	Municipal: Fromtoto				
	Mining Fromto				
	Power: From				
	Other From Jan 1 to Dec 3				
	Irrigation: Fromto				
21.	PURPOSE AND EXTENT OF USE				
	Siockwatering (number and kind)				
	Domestic:Families and/orPersons				
	Municipal (name).				
	Mining: Mining District in the Mine				
	Ores mined				
	Power: Plant name Type: Capacity				
	Power: Plant name Type: Capacity Other (describe). Arilling and completion of oil wells				
	Irrigation: acres. Sole supply of				
2 2	PLACE OF USE Legal description of areas of use by 40 acre tract				
	Other: hauled to locations by water trucks as needed				
23.	STORAGE				
	Reservoir Name:tototo				
	Capaulty:ac-ft. Inundated Atea:acres				
	Height of damleet				
	Legal description of inundated area by 40 tract.				
• •	THE ALL ACTION				
24.	EXPLANATORY The following is set forth to define more clearly the full outnose of this application, include any supplemental				
	The following is set forth to define more clearly the full purpose of this application, include any supplemental water rights used for the same purpose. (Tise additional pages of same size if necessary):				
	Change is for oilfield drilling and exploration.				
	Approximately 4 acre ft will be taken from				
	irrigation purposes and used for oilfield purposes				
	ACTES TO be irrigated will change from 55. T to 50. acres				
	because of the change in suse. 53.7 48.7				

There are no federal stipulations at this time.



A Class III Archeological Survey has been conducted by Sagebrush Archeological Consultants. A copy of this report has been submitted to the appropriate agencies by Sagebrush Archeological Consultants.



A Wastewater Application permit will be filed with the Uintah Basin District Health Department, once a drilling contractor has been selected.



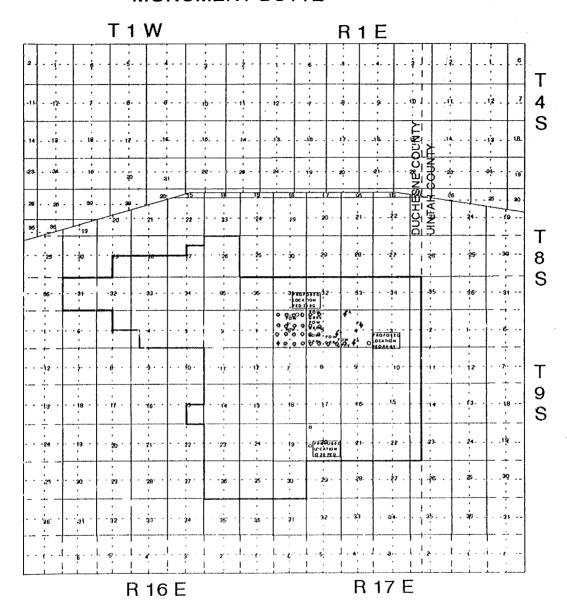
The undersigned hereby acknowledges that even though he/she/they may have been assisted in the preparation of the above-numbered application through the coursesy of the employees of the Division of Water Rights, all responsibility for the accuracy of the information contained herein, at the time of filing, resis with the applicant(s).

Signature of Applicant(s)

WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 03/31/94	API NO. ASSIGNED: 43-013-31443		
WELL NAME: FEDERAL #13-20 OPERATOR: PG & E RESOURCES CO.	(N0595)		
PROPOSED LOCATION: NWSW 20 - T09S - R17E	INSPECT LOCATION BY: / /		
SURFACE: 1874-FSL-0674-FWL BOTTOM: 1874-FSL-0674-FWL	TECH REVIEW Initials Date		
DUCHESNE COUNTY MONUMENT BUTTE FIELD (105)	Engineering Geology		
LEASE TYPE: FED LEASE NUMBER: U-13905	Surface		
EMBE NOIDEN 0 13303			
<u></u>			
RECEIVED AND/OR REVIEWED:	LOCATION AND SITING:		
γ Plat γ Bond: Federal[γ State[] Fee[]	R649-2-3. Unit:		
(Number $L(187c_{II})$) Potash (Y/N)	_ √ R649-3-2. General.		
Oil shale (Y/N) Water permit	R649-3-3. Exception.		
(Number 43-66/ A/4,84) N RDCC Review / /A)	Drilling Unit. Board Cause no: Date:		
(Date:)	Date.		
COMMENTS:			
STIPULATIONS:			

MONUMENT BUTTE



DESCRIPTION OF THE PROPERTY AND THE PARTY AN

DUCHESNE COUNTY
FIELD 105 ACTIVE

of the College of the second basis was been added as an increase and the contract of the contr



Covernor Ted Stewart Executive Director James W. Carter 801-359-3940 (Fax)
Division Director 801-538-5319 (TDD)

3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203 801-538-5340 801-359-3940 (Fax)

May 6, 1994

PG & E Resources Company 6688 N. Central Expressway, Suite 1000 Dallas, Texas 75206

Federal #13-20 Well, 1874' FSL, 674' FWL, NW SW, Sec. 20, T. 9 N., R. 17 E., Re: Duchesne County, Utah

Gentlemen:

Pursuant to Utah Admin. R. 649-3-2-2, Location and Siting of Wells and Utah Admin. R. 649-3-4, Permitting of Wells to be Drilled, Deepened or Plugged-Back, approval to drill the referenced well is hereby granted.

In addition, the following specific actions are necessary to fully comply with this approval:

- Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil 1. and Gas Conservation General Rules.
- Notification to the Division within 24 hours after drilling operations 2. commence.
- Submittal of Entity Action Form, Form 6, within five working days following 3. commencement of drilling operations and whenever a change in operations or interests necessitates an entity status change.
- Submittal of the Report of Water Encountered During Drilling, Form 7. 4.
- Prompt notification prior to commencing operations, if necessary, to plug 5. and abandon the well. Notify Frank R. Matthews, Petroleum Engineer, (Office) (801)538-5340, (Home) (801)476-8613, or K. Michael Hebertson, Reclamation Specialist, (Home) (801)269-9212.
- Compliance with the requirements of Utah Admin. R. 649-3-20, Gas Flaring 6. or Venting, if the well is completed for production.

Page 2 PG & E Resources Company Federal #13-20 Well May 6, 1994

This approval shall expire one year after date of issuance unless substantial and continuous operation is underway or a request for an extension is made prior to the approval expiration date. The API number assigned to this well is 43-013-31443.

Sincerely.

Associate Director

ldc

Enclosures

Duchesne County Assessor

Bureau of Land Management, Vernal District Office

WOI1

FORM 10

STATE OF UTAH

DIVISION OF OIL, GAS AND MINING 355 Wast North Tample, 3 Tried, Suite 350, Salt Lake City, UT 84180-1203

Page 5 of 5

MONTHLY OIL AND GAS PRODUCTION REPORT

OPERATOR NAME AND ADDRESS:			UTAH	ACCOUNT NUMBER	н N0595	
PRODUCTION DEPT PG&E RESOURCES COMPANY			REPORT PERIOD (MONTH/YEAR): 8 / 94			
6688 N CENTRAL EXP #100 DALLAS TX 75206-3922			AMEN	NDED REPORT□ (E	lighlight Changes)
Well Name	Producing	Well	Days		Production Volumes	
API Number Entity Location	Zone	Status	Oper	OIL(BBL)	GAS(MCF)	WATER(BBL)
/FEDERAL 7-24B /4304732227 11508 09S 19E 24	,	<i></i>	-		(w. willow Cot W?)	
YFEDERAL 15-24B 4304732420∭11509 09% 19E 24 √FEDERAL 5-24B	GRRV			wru68625	(west willow (h. k	Unit)
4304732447 11585 095 19E 24	GRRV		-	WTU 68625	(west willow la	ee & Unit)
Blue Diamond 13-138 450473:2457 9999 99 19E 13	Opt.	/	r	FEE	* 4-694 Bondupt	Led. (w.w. Hin little ?
/ stale 15-148 4304732450 99999 95 19E 24	4		V	mL45243	(w.w.Mew Col 11)	
4304732479 11632 95 19E 19	•		U	UTU 65218	į	
Federal 2-19 4304732497 99999 95 19E 19	ų		u	11.5218		
√ Slake 31-52 4304782500 11645 85 18€ 32	BPEV		L	mL22058		
18047 52495 11646 9518E29	berv		~	U19267		
V Federal 18:20 99999 95 17E 20	4		L.	~ U13905	(Pas 1221)	
VF 2 derel 44-18 4504732488 99199 95 19E 18	"		<i>\</i>	416544		
K Federal 22-84 4301831457 11675 95 17E 8	4		ν	U.10740	d	
Federal 14-94 4801531459 11677 9517E 9				1150750		
Federal 21-94 1676 95 176 9			TOTALS	U 50750		
Federal 21-84 4501331460 99999 15 17E 8 State 4237	*,		L.	1110760		
V3146 4287 4304932473 19999 85 18E 32 OMMENIS			-	mL22058	-	
!Feleral 73-29 4304732556 99999 95 186 29	4,			4-19267		
hereby certify that this report is true and complete to	the best of m	y knowledge	:.	D	ate:	

Telephone Number:_

lame and Signature:

DALEN Resources Oil & Gas Co



October 5, 1994

OCT III

Lisha Romero State Oil & Gas Office 3 Triad Center Salt Lake City, Utah 84180-1203

Re Company Name Change

Dear Ms Romero

PG&E Resources Company changed its name to DALEN Resources Oil & Gas Co We are requesting a blanket change for all of PG&E Resources Company's properties to

DALEN Resources Oil & Gas Co 6688 N Central Expressway, Suite 1000 Dallas, Texas 75206-3922

This change is effective October 1, 1994 for all records and reports filed in all districts throughout the state of Utah I have included a listing of our Utah properties

Also enclosed is a copy of the Certificate of the Secretary of State of Delaware regarding the name change to DALEN Resources Oil & Gas Co

If you have any questions regarding this matter, please contact me at (214) 706-3678

Sincerely,

Jim Jeanson

Regulatory Analyst

JJ/sw Enclosures

cc Bureau of Land Management Vernal District Office 170 South 500 East Vernal, Utah 84078

DALEN Resources Oil & Gas Co.



October 18, 1994

Lisha Cordova Division of Oil, Gas & Mining 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203

Re: Company Name Change

Dear Lisha:

In reference to our telephone conversation on October 17, I have enclosed copies of the following Sundry notices you requested.

Federal	#13-20	Duchesne Co., Utah
Federal	#22-811	Duchesne Co., Utah
Federal	#14-9H	Duchesne Co., Utah
Federal	#21-8H	Duchesne Co., Utah
Federal	#21-911	Duchesne Co., Utah
Federal		Unitah Co., Utah
/Federal	#32-31	Unitah Co., Utah

If you have any questions or need additional information, please contact me at (214) 706-3678.

Sincerely

Jim Johnson

Regulatory Analyst

JJ/sw Enclosure

State of Delaware

Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF OWNERSHIP, WHICH MERGES:

"PGGE RESOURCES OFFSHORE COMPANY", A DELAWARE CORPORATION, WITH AND INTO "PGGE RESOURCES COMPANY" UNDER THE NAME OF "DALEN RESOURCES OIL & GAS CO.", A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE, AS RECEIVED AND FILED IN THIS OFFICE THE NINETEENTH DAY OF SEPTEMBER, A.D. 1994, AT 1:30 O'CLOCK P.M.

A CERTIFIED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS FOR RECORDING.



Edward J. Freel, Secretary of State

AUTHENTICATION

7242629

DATE

09-19-94

CERTIFICATE OF OWNERSHIP AND MERGER

MERGING

PG&E Resources Offshore Company a Delaware corporation

INTO

PG&E Resources Company
a Delaware corporation

(Pursuant to Section 253 of the General Corporation Law of the State of Delaware)

PG&E Resources Company, a corporation duly organized and existing under and by virtue of the General Corporation Law of the State of De'aware ("Resources"), does hereby certify:

FIRST: That Resources and PG&E Resources Offshore Company ("Offshore") are corporations duly organized and existing under and by virtue of the General Corporation Law of the State of Delaware.

SECOND: That Resources owns all of the outstanding shares of the cur.

THIRD: That the board of directors of Resources adopted the following resolutions by unanimous written coment on September 16, 1994, and that such resolutions have not been rescinded and are in full force and effect on the date hereof

"RESOLVED, that PG&E Resources Offshore Company, a Dolaware corporation ("Offshore"), which is a wholly-owned subsidiary of Resources, merge with and into Resources pursuant to Section 253 of the General Corporation Law of the State of Delaware (the "Merger"), effective as of 9:00 A M., Wilmington, Delaware time, on October 1, 1994, and that Resources assume all of the obligations of Offshore at such time;

RESOLVED, that upon the effective time of the Merger the name of the surviving corporation shall be changed to "DALEN Resources Oil & Gas Co.", and

RESOLVED, that the President or any Vice President of Resources are hereby authorized and ampowered to file with the Secretary of State of the State of Delaware a certificate of ownership and merger to effect the Merger and the name change of the surviving corporation, and the appropriate officers of Resources are hereby authorized to incur the necessary expenses therefor and to take, or cause to be taken, all such further action and to execute and deliver

FULEPIGHTS TAMBESKI

or cause to be executed and delivered, in the name of and on behalf of Resources. all such further instruments and documents as any such officer may doom to be necessary or advisable in order to effect the purpose and intent of the foregoing resolutions and to be in the best interests of Resources (as conclusively evidenced by the taking of such action or the execution and delivery of such instruments and documents, as the case may be, by or under the direction of any such officer) "

FOURTH: This Certificate shall not be effective upon its filing date, but shall become effective at 9.00 A M., Wilmington, Delaware time, on October 1, 1994 (the "Effective Date").

FIFTH Upon the Effective Date, the name of the surviving corporation shall he changed to "DALEN Resources Oil & Gas Co"

IT WITNESS WHEREOF, Resources has caused this Cortificate to be signed by its duly authorized officer this 19th day of September 1994

PG&E RESOURCES COMPANY

By Gasephe T Williams

Title: President

Form 3160 5 (June 1990)

UN STATES DEPARTMENT OF THE INTERIOR

	Budget Bureau No 1004-0135
	Expures March 31, 1993
ļ	Lease Designation and Serial No.

FORM APPROVED

BUREAU OF LAND MANAGEMENT SUNDRY NOTICES AND REPORTS ON WELLS U-13905 Do not use this form for proposals to drill or to deepen or reentry to a different reservoir 6 If Indian. Allottee or Tribe Name Use "APPLICATION FOR PERMIT -" for such proposals N/A 7 If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE 1 Type of Well N/A X Oil C++ 8 Well Name and No. Federal #13-20 2 Name of Operator 9 API Well No DALEN Resources Oil & Gas Co. 3 Address and Telephone No 43-013-31443 10 Field and Pool, or Exploratory Area 6688 N. Central Expressway, Suite 1000 Dallas, Texas 75206-3922 4 Location of Weil (Footage, Sac., T.R., M., or Survey Description) Pleasant Vallev 1980' FSL & 660' FWL 11 County or Parish, State NW/4 SW/4 Section 20, T9S, R17E Duchesne Co., UT CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12 TYPE OF SUBMISSION TYPE OF ACTION X Notice of Intent Abandonment Change of Plans Recompletion New Construction Subsequent Report Plugging Back Non-Routine Fracturing I mai Abandonment Casing Repair Water Shut-Off Altering Casing Conversion to Injection Othe Operator name change Dispose Water (Note: Report results of analogic completion on Y Completion or Recompletion Report and Log for 13 Describe Proposed or Completed Operations (Clearly state all pertinent details, and give portunent dates, including estimated date of starting arry proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.) PG&E Resources Company changed its name to DALFN Resources Oil & Gas Co. effective 10/1/94. 14 I hereby certify that the foregoing is true and correct Tule Regulatory Analyst (This space for Federal or State office use) Approved by Conditions of approval, if any

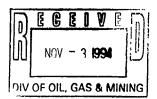
DALEN Resources Oil & Gas Co



October 31, 1994

Kent E Johnson Vice President Exploration/Development

STATE OF UTAH NATURAL RESOURCES
OIL & GAS MINING
3 Friad Center, Suite 350
Salt Lake City, Utah 84180-1203
Attn Gil Hunt



Re Name Change

PG&Ł Resources Company

Gentlemen

Effective October 1, 1994, PG&E Resources Company (PG&ER) changed its name to DALEN Resources Oil & Gas Co As a result of this action, all activities previously conducted in the name of PG&E Resources Company will subsequently be conducted by DALEN Resources Oil & Gas Co No changes in ownership, personnel, office address, telephone numbers, or business practices were caused by this name change

Please revise your records by replacing PG&E Resources Company or PG&E Resources Offshore Company with DALEN Resources Oil & Gas Co

Very truly yours,

John R Wingert
Exploration Manager
Northern Division

JRW lkd

<u>List of Leases Affected</u>

U-01470A U-01790 U-02696A U-03505 U-03576 U-013765 U-013766 U-013769 U-013769A U-013769C U-013793 U-013793 U-013793 U-013793 U-01381BA U-013821A U-013821A U-017713 U-035516 U-037164 U-0141541A U-014551A U-0147541 U-0147541A U-2838 U-6610 U-6612 U-6615	U-6632 U-6634 U-7206 U-10291 U-10760 U-11385 U-12942 U-13905 U-15392 U-16535 U-16539 U-16535 U-16544 U-17036 U-17424 U-19267 U-30096 U-39221 U-39713 U-39714 U-40026 U-46825 U-47171 U-49092 U-50750 U-52765 U-55626 U-58546 U-61052 U-61189 U-62657	UTU-65615 UTU-66004 UTU-66004 UTU-66003 UTU-66185 UTU-66187 UTU-66187 UTU-66187 UTU-66187 UTU-6743 UTU-67841 UTU-67857 UTU-67996 UTU-67997 UTU-67997 UTU-68108 UTU-68109 UTU-68316 UTU-68316 UTU-68340 UTU-68347 UTU-68348 UTU-68348 UTU-68348 UTU-68348 UTU-68348 UTU-68402 UTU-68544 UTU-68544 UTU-68619 UTU-68625 UTU-68626	UTU-68631 UTU-69024 UTU-69166 UTU-69482 UTU-69744 UTU-72104 UTU-73087 UTU-73089 UTU-73433 UTU-73512 U-47453 ROW U-49204 ROW U-49223 ROW U-49223 ROW U-49236 ROW U-49243 ROW U-50487 ROW U-50487 ROW U-50487 ROW U-50487 ROW U-50488 ROW U-50497 ROW U-50809 ROW
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Bureau of Land Management Utah State Office P.O. Box 45155 Salt Lakr City, Utah 84145-0155

3100 U--01470A (UT-923)

NOV 7

CERTIFIED MAIL -- Return Receipt Requested

DECISION:

:

DALEN Resources Oil & Gas Co. 6688 N. Central Expwy., #1000

Dallas, Texas 75206

Gil and Gas U-01470A et al

Corporate Name Change Recognized

Acceptable evidence has been received in this office concerning the change of name of PG&E Resources Company to DALEN Resources Oil & Gas Co. on Federal oil and gas leases.

The oil and gas lease files identified on the enclosed exhibit have been noted as to the name change. We are notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the name change by a copy of this decision. If additional documentation for changes of operator are required by our field offices, you will be contacted by them.

A rider to the Nationwide Bond No. U1870111 (BLM Bond No. WY2554) has been filed in the Wyoming State Office, in order to change the name of the principal on the bond. It has been examined and found to be satisfactory by that office.

/s/ ROBERT LOPEZ

Chief, Minerals Adjudication Section

Enclosure Exhibit

be: Moab District Office w/encl.
Vernal District Office w/encl.
MMS-Data Management Division, Denv
UT-922 (Teresa Thompson) w/encl.

Post-It* brand fax transmitta	al memo 7671 / of pages > 2
TO LITHA COEDOUR	From CHELS MERRITT
CO. STATE OF UTAH	Co. Bun
Dept DIL & G.N.3	Phone # 539-1119
359-3940	539-4260

Division of Oil, Gas and Mining OPERATOR CHANGE HORKSHELL

Attach all documentation received by the division regarding this change. fortial each listed item when completed. Write N/A if item is not applicable.

XXX Change of Operator (well-sold)

13 Designation of Operator

Designation of Agent
XXX Operator Name Change Only

1 PC (PL 2 LMF 7-PL 3 LPT 8-SJ 4 YLC 19-FILE 5 RJF V 6 LMP V

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 10-1-94

75. T. T. F.

IO (new operator) DALEN RESOURCES OIL & GAS CO-FROM (former operator) PG&E RESOURCES COMPANY (address) 6688 N CENTRAL EXP STE 1000 (address) DALLAS TX 75206-3922

phone (214) 750–3800 account no N3300 (11–29–94)

phone (214) 750-3800 account no. N 0595

*WELLS DRAW (GRRV) UNIT Hell(s) (attach additional page if needed): *WEST WILLOW CREEK UNIT Name :**SEE ATTACHED** MT: CB 3043 Entity: Sec Twp Rng Lease Type: Entity:____ Name APT: Sec Twp Lease Type: Entity:, Sec Rna Name: APT: Two Lease Type: Entity: APT: Sec Twp Rna Lease Type: Name: Name: API: Entity: Sec Two Rna Lease Type: Entity:____ Sec. API lwp Rng___ tease Type:___ Name: APT Entity: Sec Rng Name: Twp lease Type:

OPERATOR CHANGE DOCUMENTATION

- $\mathcal{U}\ell$ (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form) (field 10-3-94)
- μ_{e2} 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). (μ_{e4} 10-3-94)
- We 3. The Department of Commerce has been tracted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes) no) ______ If yes, show company file number: #FHOO1519. "Octon Resources Corp." eff. 6-15-94.
- (4. (For Indian and Federal Hells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of Federal and Indian well operator changes should take place prior to completion of steps 5 through 9 below.
- Le 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above (11-29-94)
- Nur 6 Cardex file has been updated for each well listed above 12-7-94
- $\mathcal{H}_{\mathcal{Y}}$ / Hell file labels have been updated for each well-listed above 12-8-59
- ALL 8 Changes have been included on the monthly "Operator, Address, and Account Changes" memo
- 742.9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal District Office 170 South 500 East Vernal, Utah 84078-2799

IN REPLYBEER TO

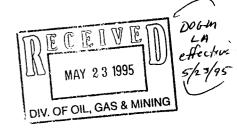
3162 UT08438

May 17, 1995

Dalen Resources Oil & Gas Company Attn: Jim LaFevers

6688 North Central Expressway #1000

Dallas, TX 75206



Re:

Notification of Expiration
Well No. 13-20 A3-012-31443
Section 20, T9S, R17E
Lease No. U-13905

Lease No. U-13905 Duchesne County, Utah

Dear Mr. LaFevers:

The Application for Permit to Drill the above-referenced well was approved on May 9, 1994. Since that date, no known activity has transpired at the approved location. Applications for Permit to Drill are effective for a period of one year. In view of the foregoing, this office is notifying you the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

Margie Herrmann

Legal Instruments Examiner

Player German

cc: State Div. OG&M